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## 1. Soviet policy

50X1-HUM while Moscow, claiming a "substantial aggrava-

tion" of the international situation, lays the blame for this on US policy in Cyprus, the Congo (Leopoldville), and Indo-China, it is aware that the US has not contributed to the developments -- at least in Cyprus and Leopoldville. Thus, while Moscow's position requires polemic attacks against the "unreason of America's ruling circles," it does not come out clearly against US positions here, not wishing its bi-polar foreign policy concept to be burdened by side issues 50X1-HUM Nevertheless, the Soviet attempts to cultivate the best possible relations with the US for renewal of direct contacts after US presidential elections cettainly does not mean the Soviets will

renounce the pursuit of their own interests in their sphere of influence. 50X1-HUM

This is exemplified in the case of Cyprus,

50X1-HUM showing Soviet tacties to neutralise the island to weaken the southeastern flank of the NATO thereby. 50X1-HUM

In regard to the German question, Soviet tack in developing bilateral relations with West Germany, while simultaneously playing on French and Belgian anti-German sentiment by claiming West Germany desires revision of its western borders -- for the end result of isolating West Germany as prerequisite for promotion of a Rapallo situation.

East Germany is assigned to foster contacts with West 50X1-HU	М
Germany to soften the latter's position on recognition of Ulbricht's state.	
on the Berlin pass# problem and East German 50X1-HU	Μ
attempts to pressure the Berlin Senate in connection with it, GROUP 1	N //
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<u>د</u>	that the anniversary of the outbreak of World War II provides Ulbricht				
	the opportunity to share in the East's program of defamation of West				
	Germany by charging West German continuation of Hitlerite policy.				
	2. <u>Concerning present plans in the communist world movement for the Moscow</u> ference	con-			
		X1-HUM			
	the response or non-response of communi	.st			
	parties invited to the All-Party Congress in Moscow by a Soviet letter of				
r	30 July 1964.	50X1-HUM			
	Peiping may possibly hold a conference in the near future, con-	50X1-HUM			
	sidering the brisk flow of visitors from foreign CP circles to Peiping				
	in recent weeks as positive indication of conference preparations.				
		50X1-HUM			
4. Concerning activity of the World Aliance of Democratic Youth					
	the "Second World Forum of Solidarity of Youth	50X1-HUM			
	and Students in the Struggle for National Independence, Liberation, and				
	Peace," slated for 16 to 23 September 1964 in Moscow, is to assemble youth				
	of the world to discuss the problems conncted with peaceful coexistence.				
		50X1-HUM			

## 3. Hungarian Communists Seek New "Alliance" Partners

Recently, an increased interest of the USAP (Hungarian Socialist

Workers' Party) in former Social Democrats living in Hungary, as well

as Hungarian emigrants, has been evident.

the USAP wishes to win over the Hungarian Social Democrat emigrees in particular to support the pro-Soviet communists in their dispute with Peiping. Indirectly, through the conference of the Socialist International taking place in Brussels in early September, even the former Social Democrats living in Hungary are supposed to be won over to these Would then De expected ideas. Inthations they are supposed to cooperate with the communists, even if not as an independent party, sight in the framework of the "Fatherland Front." In this case the communists wish to refrain from all further measures against former Social Democrats.

Three kinds of motives evidently lie behind these Hungarian efforts. One motive may be seen in Moscow's wish to play it safe in the dispute with the Chinese communists. Similar attempts for contact by other satellite states have been aimed at the same goal.

Another, purely foreign policy motive is the continuing desire of the present Hungarian regime for complete rehabilitation abroad. Consequently, specific support by the Socialist International -- if only from pure-

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ly tactical manages -- and cooperation with former Social Democrats in Hungary -- is viewed as important in Budapest for improving the international STANDING appearance of the regime -- despite all the successes already achieved in

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this area.

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grounds

In this connection,

possible per- 50X1-HUM

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sonnel changes in Budapest in September should be mentioned, according to which, Party Secretary Kadar -- line once before -- again wishes to give up the office of Premier. His successor is supposed to be Kallai, who is less incriminated by the events of 1956.

Finally, add to this as an internal policy motive the desire of broadening the base of the government. The successito date of the policy of "alliance" between communists and non-party members who are not opposed to the party may encourage Kadar to continure on this path. A large parts of the public regards the Kadar regime as tolerable, if not the only possibility under the existing for. Many Hungarians see in Kadar the executor of Imre Nagy's in the course of 1 program, at which the basic opposition found in the different relationship to Moscow, as well as the betrayal of Nagy and his execution by those interested above all in their personal subsistence , recedes to the background. contrist to In distinution from the non-party members sought after up to now, howver, the former Social Democrates are politically experienced individuals who know what to make of it when the communists speak of "toleration," and represent the preservation of the "democratic achievements of Destalinization" as the goal.

Nevertheless, the USAP may believe in certain prospects; it is certainly conscious of the difficulties of its plans -- as the indirect <u>approach to</u> the emigrees which it follows shows; however, it regards its realization as pressing.

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The abovementioned remark on the safeguarding of the "democratic achievements of Destalinization" should be viewed against the background of the opposition movements within the party. After Stalin prize-holder Sandor Nagy was arrested in March because of his propaganda activity in Komitat (county) Csongrad which was directed against Kadar's course, the Ministry of Interior at the end of July initiated investigative action in Komitat and active Baranya against a leftist opposition group of former/CP officials working in the educational system and agriculture, who are charged with passive resistance to party instructions and the distribution of opposition agitation materials. Even in Budapest, the Ministry of 50X1-HUM Interior was compelled to ascertain similar subversive activity of subordinate CP officials, after charges from Komitat Somogyi about oppoivities sition more ments within the party having been heard as early as June. Opposition circles, in their criticism of the party line, allegedly even said that the workers! class is in danger of losing its power. This expression of opinion should be appraised as the ideologically framed argument of officials who are anxious about their personal positions, or are grieving about them, and are therefore susceptible to stalinist, or those held by the Chinese communists, viewS

At present, it is impossible to determine the extent of stalinist opposition. However, the more the indications of such movements increase, the more it can be expected that the regime as seriously interested in broadening its base through cooperation of the former Social Democrats, possibly even in the hope of being ables to get them to enter the party some day. The question of success of these efforts is quite another story, however.

/End

